

About Hermosa

The City of Hermosa Beach is a beachfront, bedroom community with a stable population, located four miles south of Los Angeles International Airport. The City occupies 1.43 square miles and serves a population of 19,847, according to the State's latest population estimate. However as a beach city, Hermosa experiences a high visitor population and the associated costs. Due to this high visitor population, the City operates in many ways like a larger city. During the 2018–19 fiscal year, beach attendance ranged from a low of 21,700 in February 2019 to a high of 1,282,200 in July 2018, according to the Los Angeles County Fire Department, Lifeguard Division.

Capital Improvement Projects

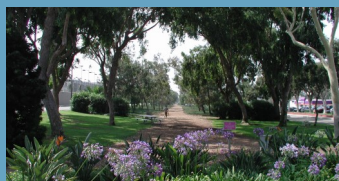
PROJECT LIST	FUNDING FY 20–21
Street and Highway Improvements	\$4,000,680
Sewer/Storm Drain Improvements	\$5,375,749
Public Buildings and Grounds Improvements	\$7,773,051
Studies	\$693,828
	\$17,843,308

Capital Improvements are improvements made to the City's infrastructure as shown above. The Capital Improvement Plan is a priority of the City Council.

Quick Facts

Area: 1.43 square miles
Population: 19,847
Public Safety:
 One Police Station
 38 Safety personnel
 One Fire Station
 L.A. County Contract
Full Time Employees: 134
Parks: 20

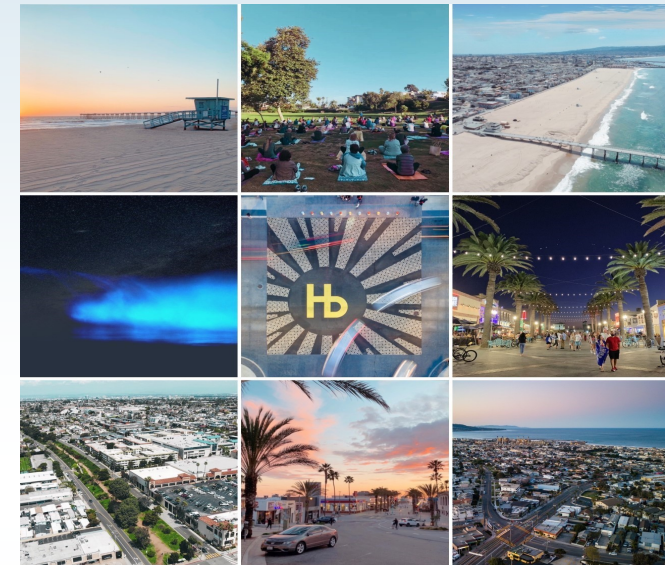
Assessed Valuation: \$8 Billion
Housing Units: 10,071
Sanitary Sewers: 40.4 miles
Miles of Streets: 40
City Storm Drains: 2.2 miles
Beach: 36.52 acres



Strategic Plan

VISION 2031	GOALS 2021
Hermosa Beach 2031: It Is... Our Small Beach Town Our Distinct Hometown Spirit Our Preservation of Our Way of Life Our Eclectic Community Our Family Friendly Community Our Commitment to Sustainability	Commitment to a Safe Community Financially Sound City Government High Performing City Providing 1 st Class Services More Livable, Sustainable Beach City Enhanced Economic Development Through Revitalized Downtown and Entry Corridors
HERMOSA BEACH CITY GOVERNMENT MISSION	
<p>THE MISSION OF THE <i>Hermosa Beach Government</i> is to Govern <i>with Community Engagement</i> and <i>Collaborative Sentiment</i>, to Be <i>Financially, Environmentally Responsible</i>, and to Provide <i>1st Class Municipal Services</i> in a <i>Customer Friendly Manner</i> through <i>Valued Employees and Volunteers</i></p>	
PLAN Hermosa	The integrated General Plan and Coastal Land Use Plan for the City of Hermosa Beach
<p>PLAN Hermosa, the General Plan/Coastal Land Use Plan (LUP) for Hermosa Beach, provides a future vision, policies, and proposed actions to guide residents, decision-makers, City staff, project developers, and businesses in Hermosa Beach. For City staff, PLAN Hermosa is a guide to evaluate projects, structure City programs, and decide whether to pursue new opportunities. City officials will use the Plan as the basis for decision-making and to guide the development of new policies, ordinances, programs, initiative and capital expenditures.</p>	
<p>Vision Statement Hermosa Beach is the small town others aspire to be; a place where our beach culture, strong sense of community, and commitment to sustainability intersect.</p>	
<p>Our small town, beach culture Our beautiful beach, eclectic neighborhoods, unique commercial districts, and welcoming gateways create an unrivaled coastal destination. Our exceptional local schools and outstanding municipal services contribute to an extraordinarily high quality of life at the beach.</p>	
<p>Our vibrant local economy Hermosa Beach residents can work, shop, and play locally. Our economy capitalizes on our entrepreneurial spirit, our legacy of creativity, and our local businesses committed to enhancing Hermosa Beach's distinctive character. We effectively balance our small town, beach culture with our enviable position as a regional and statewide coastal destination.</p>	
<p>Our healthy environment and lifestyles Hermosa Beach is committed to protecting our coastal resources and takes a practical, fiscally-responsible approach to reducing our environmental footprint. Our beach and open spaces create unique places that support our active healthy lifestyle. Our complete streets ensure all places within our city are well-connected and easily accessible for all. Our commitment to a low-carbon future and our sustainable beach city identity attract residents, visitors, and businesses that embrace the opportunity to live and work in a healthy, active community.</p>	
<p>Guiding Principles We seek to achieve our vision by making decisions and taking actions that help us to...</p>	
Demonstrate our environmental leadership	Retain our high quality of life
	Contribute to our economic and fiscal stability
	Be a catalyst for innovation

City of Hermosa Beach 2020–2021 Adopted Budget at a Glance



Hermosa Beach City Officials

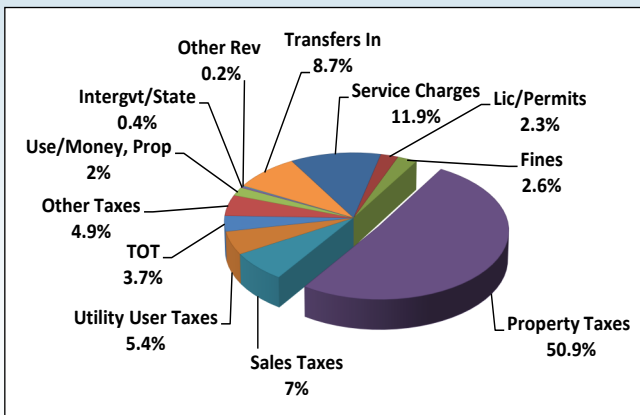
Mary Campbell, PhD, Mayor
 Justin Massey, Mayor Pro Tempore
 Stacey Armato, Councilmember
 Michael Detoy, Councilmember
 Hany Fangary, Councilmember

Suja Lowenthal, City Manager
 Eduardo Sarmiento, City Clerk
 Karen Nowicki, City Treasurer
 Viki Copeland, Finance Director

FY 2020-21 ADOPTED GENERAL FUND BUDGET

GENERAL FUND

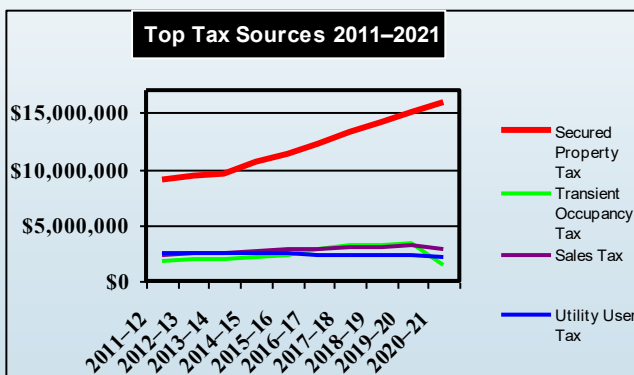
WHERE THE MONEY COMES FROM



General Fund Sources (in thousands of dollars)

Property Tax	\$19,971
Service Charges	\$4,674
Transfers In	\$3,397
Sales Tax	\$2,751
Utility Users Tax	\$2,147
Other Tax	\$1,935
Transient Occupancy Tax	\$1,440
Fines	\$1,033
Licenses/Permits	\$906
Use/Money/Property	\$803
Intergovt/State/Other	\$144
Other Revenue	\$66

Total Sources \$39,267



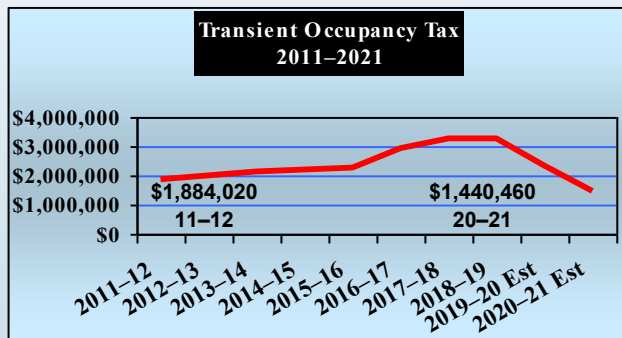
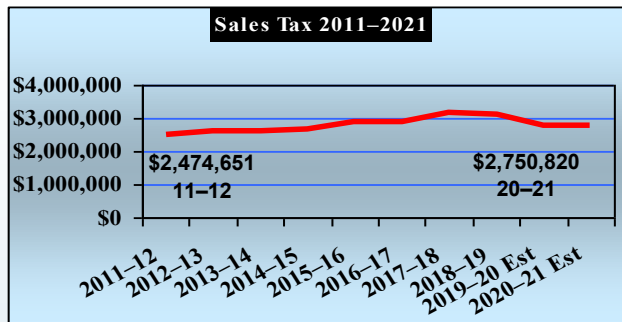
As of this writing—and everything changes as soon as it is written—the unemployment in the U.S. is 13.3% for May, which is the second highest rate since the Bureau of Labor Statistics started tracking it in 1948, as compared to the rate in February which was 3.5%, or the lowest in 50 years. The highest rate was last month, April, at 14.7%. The State announced a potential deficit of \$54.3 billion after having a \$21 billion surplus not long ago.

In Hermosa Beach, department revenue estimates and department requests were due on March 19, 2020 for fiscal year 2020-21. Coincidentally, that was also the date that, due to the COVID-19 virus, the State issued the stay at home order and closure of many businesses, basically affecting almost every part of the economy. After a recasting of the revenue estimates for 2019-20 and 2020-21, deficits of \$2.3 million and \$6.2 million were created for Hermosa Beach (almost overnight).

The philosophy used in balancing these two budgets and erasing the deficits was to maintain city services to the extent possible with minimal disruption. This was accomplished with adoption of the preliminary budget. In conjunction with the budget balancing, 16% of the operating budget is contributed to the Contingency Account or "rainy day fund" according to the City's adopted financial policies. No funds from the Contingency Account were used to balance the budget.

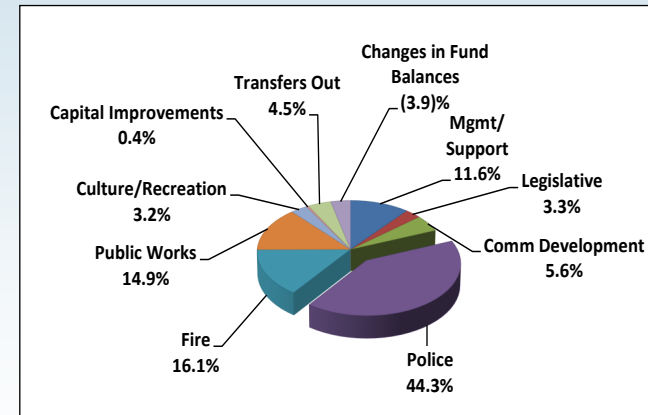
The deficit gaps were closed with department-recommended reductions, including for capital improvements, freezing of 12 positions for the remainder of 2019-20 and 10 positions for 2020-21, use of a combination of general funds that were previously unspent and transferred for other uses, swapping restricted funds for general funds and using excess funds above the adopted goal amount in the Insurance Fund.

Due to the uncertainty of the economy and the rapidly changing environment, diligent tracking of the budget will be even more important than usual.



GENERAL FUND

WHERE THE MONEY IS SPENT



General Fund Uses (in thousands of dollars)

Police	\$17,402
Fire	\$6,320
Public Works	\$5,836
Management/Support	\$4,547
Community Development	\$2,181
Transfers	\$1,777
Legislative	\$1,305
Culture/Recreation	\$1,241
Capital Improvements	\$176
Change in Fund Balance Commitments	(\$1,518)

Total Uses \$39,267

The General Fund is used to account for the operational costs of running the City. Revenue is not restricted and primarily consists of taxes, services charges, fines and forfeitures, use of money and property, and licenses and permits.

Overall expenditures in the General Fund are budgeted at \$39.3 million.

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To view the full budget go to
<https://www.hermosabeach.gov/our-government/finance-department/finance-administration/city-budget>